

Handout: Company Brief
PREDICT 420

XYZ Multi-Channel Retailer Company Brief (background and snippets from annual report to investors)

- Founded in 1985
- Specialty retailer of consumer electronics and appliances
- 200 stores nationwide
- Direct-mail business that distributes millions of catalogs a year
- Successful e-commerce site
- Successful m-commerce site
- Established presence on Facebook, Twitter, FourSquare and YouTube
- Brand promise is about quality products and high touch service in all channels
- Marketing is done via retail stores, catalogs, Internet (display, paid search), mobile, social
- Some of the metrics used to measure marketing include:
 1. Cost per acquisition (paid search, display, catalog)
 2. Response rate (catalog, mobile sms)
 3. Revenue per book (catalog sales)
 4. Open rate (e-mail)
 5. Click rate (e-mail)
 6. Transaction rate (e-mail)
- Financial performance (from annual report to investors):
 1. Comparable store sales rose 2.5% year over year
 2. Online sales increased 4.4%
 3. Controlled inventory and expenses, allowing us to protect our margins and profitability in order to deliver earnings per share that were up 49% year over year
- Stated focus for the upcoming year is growing e-commerce and five other key initiatives (from annual report to investors):
 1. Capturing market share through innovative merchandising and a greater emphasis on the *value* proposition
 2. Delivering superior customer service—launching a Customer Service training program for all sales associates
 3. Executing our catalog and Internet marketing initiatives
 4. Driving efficiencies in our worldwide supply chain—particularly in product sourcing
 5. Maximizing profitability and cash flow through aggressive asset management and rationalization of our real estate portfolio